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**PRESS RELEASE
FOR IMMEDIATE RELEASE**

CUERVO BOARD RECEIVES AND ACCEPTS FINANCING OF \$3.5 MILLION

May 21, 2008 – Toronto, ON

Cuervo Resources Inc. (CNQ-IRON; FWB-CRR; “Cuervo” or the “Company”) wishes to announce that the Board of Directors has received and accepted an offer to provide the Company with a \$3.5 million equity financing. Net proceeds from the financing and the current \$1.9 million cash position will be used to continue to fund the Company’s iron ore exploration projects in Perú and general working capital purposes. The planned work program related to the Cerro Ccopane Project will include geophysical surveying, the completion of an initial mineral resource estimate and NI 43-101-compliant report, conclusion of diamond drilling on the Orcopura zone and the start of diamond drilling on the Huillque zone, which is to begin this week. Further metallurgical, marketing and transportation studies will also be commissioned.

The non-brokered private placement will see Cuervo issue 3.5 million Units of the Company, at a price of \$CDN1.00 per Unit, for gross proceeds of \$CDN3.5 million (the “Financing”). Each Unit will consist of one Cuervo common share and one warrant entitling the holder to purchase one Cuervo common share at a price of \$CDN1.50 for a period of 24 months after the closing of the Financing. If the closing price of the Cuervo common shares is equal to or greater than \$CDN2.25 for a period of 10 consecutive trading days any time after six months after the closing of the Financing, the Company may accelerate the expiry date of the warrants. The Company will pay a finder’s fee equal to 6% cash and 6% Unit-purchase options in regard to the Financing. The Financing will close on or about May 22, 2008.

The securities to be issued in connection with the Financing will be subject to a four month hold period from the date of issue.

Cuervo common shares are listed on the Canadian Trading and Quotation System Inc. (CNQ), and also trade on the Frankfurt Stock Exchange (FWB). Currently, there are 26,629,750 shares outstanding (33,556,000 fully diluted).

For further information, please contact Mr. John Siriunas, a director and President of Cuervo, at (416) 203- 3957 x 701 or Mr. Tom Berner, Investor Relations, at (416) 203-3957 x 202. Additional information about Cuervo can be found at the Company’s website at www.cuervoresources.com.

The Canadian Trading and Quotation System Inc. has neither approved nor disapproved of the contents of this press release.